



Millennium Hotels invests 131 million euros to acquire two emblematic properties in Madrid, the iconic buildings at Carrera de San Jerónimo, 9 and 11, the old Hotel Asturias, to convert them into a five-star hotel, and one in Bilbao, the Gran Hotel Meliá Bilbao, designed by architect Ricardo Legorreta.



- **The old hotel Asturias with three grand facades is located in one of the Spanish capital's most exclusive areas, in front of the Four Seasons Canalejas complex, and just steps away from the Casino, Puerta del Sol, and Madrid's Gran Vía. The building will hold a 5-star luxury hotel that aspires to become one of the city's most representative hotels.**
- **The Meliá, which will also be a 5-star hotel, is impeccably located in front of the Euskalduna Conference Center, the new San Mamés stadium, Doña Casilda Park, and the Nervión River, just minutes from the Guggenheim Bilbao.**
- **With these investments, Millennium Hotels is significantly boosting its portfolio, which is currently comprised of seven top-quality hotels with outstanding locations in Spain's major cities, and it plans to continue investing in similar assets until the portfolio is worth close to 500 million euros.**

Madrid, November 8, 2019.

MILLENNIUM HOTELS REAL ESTATE 1 SOCIMI, S.A. significantly bolstered its portfolio by closing two of the most significant hotel property transactions of 2019.

In Madrid, it acquired two historic and emblematic 19th century buildings located at 9 and 11 Carrera de San Jerónimo, next to Plaza de Canalejas, Puerta del Sol, and the city's top museums, for 82 million euros.

The transaction carried out by Millenium Hotels is one of the most significant in 2019, not only due to the amount of the investment, 82 million euros, and the quality of the asset in question, but also because it completes and perfectly complements the area's offering of 5-star accommodations. The properties were purchased with fully renovated structures, partially renovated interiors, and all hotel operation licenses and building permits valid.

Millenium Hotels will begin comprehensively repositioning the property to open a 5-star hotel that will have all the services necessary to make it one of the most appealing and high-quality hotels in the city.

In the words of Javier Illán, the president of Millenium Hotels: *"We are truly satisfied with the acquisition of this spectacular asset, which we have been following over the last few years and that we decided to acquire once the main license and building permit risks were resolved. This property perfectly reflects our company's investment focus, which is based on acquiring emblematic properties in the prime areas of major cities, in this case an extraordinary location in one of the most exclusive areas of Madrid with an even brighter future, as is the case with Plaza de Canalejas, which is today one of the capital's leisure, cultural, and culinary centers."*

The condition of the property and the price paid, which compared to recent transactions entails an approximate price of €400,000 less per room, allows us to implement our value added and general value strategy for the property by undertaking a large project that will allow the property to recover its former glory. The sum of these variables will provide us with a significant profitability ratio, both due to the returns expected from hotel operations and due to the high intrinsic value that an iconic property like this one creates. All of this perfectly coincides with the foundations of our investment philosophy."

On top of the purchase of this asset, we have also added the acquisition of the hotel Meliá Bilbao for 49 million euros, complementing the investment plan in Bilbao, after having acquired Hotel Gran Vía 4 in Bilbao at the beginning of 2019, which will be operated by Radisson, under its luxury brand Radisson Collection.

Designed by renowned architect Ricardo Legorreta, the Meliá Bilbao is inspired by a piece by Basque sculptor Eduardo Chillida. Its magnificent facilities and services include 211 contemporary rooms; a number of culinary spaces, a Wellness Center including a gym, semi-outdoor heated pool, and several saunas.

In the words of Javier Illán, the president of Millenium: *"This acquisition strengthens our portfolio with an asset that entails a consolidation of our presence in a city like Bilbao, which given its location, cultural wealth, culinary might, and business prosperity makes it one of the Spanish cities with the best tourism potential and a city that is currently more appealing in terms of the profitability and value it has to offer."*

These two assets have been added to the Millenium Hotels portfolio, which is comprised of seven high-quality assets with great potential value: Vía Castellana in Madrid, Lucentum in Alicante, Plaza Magdalena and Plaza San Francisco in Seville, Gran Vía in Bilbao, and now the old Hotel Asturias in Madrid and Meliá Bilbao.

Millenium Hotels plans to follow its acquisition policy in the coming months until it has rounded out its existing portfolio, which is now close to 300 million euros, at a value of 500 million euros, comprised of iconic buildings to be converted into luxury hotels located in the major cities and touristic regions of Spain.

About MILLENIUM HOTELS Real Estate:

MILLENIUM HOTELS Real Estate is a SOCIMI real estate investment corporation whose business focuses on four and five-star hotel assets in fast-growing areas. Millenium is committed to creating value by acquiring iconic buildings and transforming them into four and five-star hotels. The company is working to reach top-tier international agreements to be able to respond to the needs of luxury tourism: high-quality services in addition to unique and well-located buildings.